GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1085
ANSWERED ON:23.11.2007
SHORTAGE OF SMALL DENOMINATION CURRENCY NOTES
Kharventhan Shri Salarapatty Kuppusamy

Will the Minister of FINANCE be pleased to state:

(a) whether there is shortage of smaller denomination currency notes in the country;

(b) if so, the details thereof along with the reasons therefore;

(c) whether the Government withdrawn the circulation of smaller denomination currency notes or discontinued its printing;

(d) if so, the details thereof; and

(e) the steps taken/being taken by the Government to mitigate the shortage of small denomination currency notes in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P.K. BANSAL)

(a),(b)&(e): The Reserve Bank of India has informed that printing of small denomination currency notes viz. Re.l/-, Rs.2/- and Rs.5/- has been stopped and notes of these denominations have been coinised in view of the lower circulation life of notes. There is no shortage of coins of these denominations.

(c)&(d): Though printing of Re.l, Rs.2 and Rs.5 denomination notes has been stopped, these notes have not been withdrawn from circulation.